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Counsel for Highland Capital Management, L.P.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

HIGHLAND CAPITAL MANAGEMENT, L.P.,¹

Reorganized Debtor.

HIGHLAND CAPITAL MANAGEMENT, L.P.,

Plaintiff,

V.

PATRICK HAGAMAN DAUGHERTY,

Defendant.

§ Chapter 11

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§ Case No. 19-34054-sgj11

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§ Adversary Proceeding No.

§

§ 20-03107-sgj

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¹ The last four digits of the Reorganized Debtor's taxpayer identification number are (6725). The headquarters and service address for the above-captioned Reorganized Debtor is 100 Crescent Court, Suite 1850, Dallas, TX 75201.

NOTICE OF CASE STATUS

Highland Capital Management, L.P., the reorganized debtor² (“Highland” or the “Debtor”, as may be temporally required) in the above-captioned chapter 11 case (“Bankruptcy Case”) and plaintiff in the above-captioned adversary proceeding, files this *Notice of Case Status* in response to the Clerk of the Court’s request for the same [Docket No. 15] and respectfully states as follows:

1. On April 1, 2020, Patrick Daugherty (“Mr. Daugherty”) filed a general unsecured claim which the Debtor’s claim agent denoted as claim number 67 (“Claim 67”).

2. On April 6, 2020, Mr. Daugherty filed a general unsecured proof of claim in the amount of “[a]t least \$37,483,876.62,” which amended and superseded Claim 67 and which the Debtor’s claims agent denoted as claim number 77 (“Mr. Daugherty’s Claim”).

3. On August 31, 2020, the Debtor filed the *Debtor’s (I) Objection to Claim No. 77 of Patrick Hagaman Daugherty and (II) Complaint to Subordinate Claim of Patrick Hagaman Daugherty* [Docket No. 1] (the “Complaint”).³

4. On or about February 2, 2021, during the confirmation hearing on the Debtor’s proposed Plan, the Debtor reported, among other things, that it had reached an agreement in principle to fully resolve Mr. Daugherty’s Claim.

5. Since that time, the parties have made certain adjustments to the proposed resolution of Mr. Daugherty’s Claim and have worked to reduce their agreement to a written

² On February 22, 2021, the Bankruptcy Court entered the *Order (i) Confirming the Fifth Amended Plan of Reorganization (as Modified) and (ii) Granting Related Relief* [Bankr. Docket No. 1943] (the “Confirmation Order”) which confirmed the *Fifth Amended Plan of Reorganization of Highland Capital Management, L.P., as Modified* [Bankr. Docket No. 1808] (the “Plan”). The Plan went Effective (as defined in the Plan) on August 11, 2021, and Highland is the Reorganized Debtor (as defined in the Plan) since the Effective Date. *See Notice of Occurrence of Effective Date of Confirmed Fifth Amended Plan of Reorganization of Highland Capital Management, L.P.* [Bankr. Docket No. 2700]. All terms used but not defined herein have the meanings given to them in the Plan.

³ On December 10, 2020, Mr. Daugherty filed proof of claim number 205, which superseded and replaced Mr. Daugherty’s Claim.

document. Highland is in the process of seeking approval of the proposed settlement from the Claimant Trust Oversight Committee and anticipates that the settlement will be finalized on or before November 12, 2021. Highland will file a further status report in the event it is unable to finalize the settlement for any reason.

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Dated: October 27, 2021.

PACHULSKI STANG ZIEHL & JONES LLP

/s/ John A. Morris

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